

TENNESSEE GENERAL ASSEMBLY  
FISCAL REVIEW COMMITTEE



**FISCAL NOTE**

**SB 1867 - HB 2346**

February 18, 2018

**SUMMARY OF BILL:** Authorizes counties and cities to enter into an interlocal agreements for the collection and remittance of business license fees.

**ESTIMATED FISCAL IMPACT:**

**Other Fiscal Impact – There may be permissive shifts in local expenditures and local cost avoidances for counties and cities that elect to enter into interlocal agreements; however, the extent and timing of any permissive shifts or cost avoidances are unknown because they are dependent on the terms of any interlocal agreement.**

Assumptions:

- All state business payments are required to be submitted electronically; therefore, any impact to the Department of Revenue or state government is estimated to be not significant.
- Any action taken by a city and county to enter into an interlocal agreement for the collection and remittance of local business license fees is permissive.
- Any additional local government revenue collection is estimated to be not significant.
- Costs associated with the collection and remittance of local business license fees may shift from one local entity to another and may lead to increases in expenditures to one local government and result in cost avoidance to the other. Such expenditures and cost avoidances are dependent on the terms of the interlocal government agreement and cannot be reasonably determined; however, any such shifts or cost avoidances is permissive.

**CERTIFICATION:**

The information contained herein is true and correct to the best of my knowledge.

A handwritten signature in blue ink that reads "Krista M. Lee".

Krista M. Lee, Executive Director

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